

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT
BOARD FOR PUERTO RICO,

as representative of,

THE COMMONWEALTH OF PUERTO RICO *et al.*,

Debtors.¹

PROMESA Title III

Case No. 17 BK 3283-LTS

(Jointly Administered)

**RESERVATION OF RIGHTS OF ASSURED GUARANTY CORP., ASSURED
GUARANTY MUNICIPAL CORP., AND NATIONAL PUBLIC FINANCE
GUARANTEE CORPORATION WITH RESPECT TO (1) THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS' URGENT MOTION TO COMPEL
DISCLOSURE STATEMENT DISCOVERY FROM OVERSIGHT BOARD AND AAFAF
(ECF NO. 16811) AND (2) THE URGENT MOTION OF AMBAC ASSURANCE
CORPORATION AND FINANCIAL GUARANTY INSURANCE COMPANY TO
COMPEL DISCOVERY FROM THE GOVERNMENT PARTIES IN CONNECTION
WITH THE DISCLOSURE STATEMENT (ECF NO. 16812)**

Assured Guaranty Corp. ("AGC"), Assured Guaranty Municipal Corp. ("AGM",
and together with AGC, "Assured"), and National Public Finance Guarantee Corporation
("National"), hereby submit this reservation of rights (the "Reservation of Rights") with respect to

¹ The Debtors in these Title III cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's Federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico ("Commonwealth") (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 04780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

(1) the *Official Committee of Unsecured Creditors' Urgent Motion to Compel Disclosure Statement Discovery from Oversight Board and AAFAF* (ECF No. 16811, the “Committee Motion”) and (2) the *Urgent Motion of Ambac Assurance Corporation and Financial Guaranty Insurance Company to Compel Discovery from the Government Parties in Connection with the Disclosure Statement* (ECF No. 16812, the “Ambac/FGIC Motion”, and together with the Committee Motion, the “Motions”) and respectfully state as follows:

RESERVATION OF RIGHTS

1. On May 26, 2021, the Official Committee of Unsecured Creditors, Ambac Assurance Corporation and Financial Guaranty Insurance Company filed the Motions seeking from the Government Parties² certain discovery that the Committee, FGIC and Ambac assert is needed to review the recently filed Disclosure Statement.

2. Among other discovery, the Committee Motion seeks documents and testimony concerning the rationale and value of the various settlements documented in plan support agreements (“PSAs”) to which Assured and National are parties, including the rationale for the CVIs contemplated in the PSAs and the calculation of likely payments thereunder.

3. Among other discovery, the Ambac/FGIC Motion seeks communications regarding the “negotiation” of the PSAs.

4. Assured and National have advised the Government Parties that they object to the production of any documents relating to Assured or National that are subject to settlement, mediation, common interest, joint defense, or other privileges. These may include, for example, without limitation, comments on or drafts of the PSAs, the Disclosure Statement, and the Proposed

² Capitalized terms used in this Reservation of Rights but not otherwise defined herein shall have the meanings set forth in the Motions.

Plan, related communications with Assured or National and their advisors and valuations/analyses of the various PSAs, settlements, CVIs or payments to be made thereunder exchanged among the parties to the PSAs and/or their advisors. These materials remain subject to all applicable privileges, which Assured and National do not waive.

5. Assured and National reserve their rights to file objections or any other responses to the Motions in the event that any disputes arise concerning the documents over which Assured and National have asserted, and continue to assert, privilege.

6. Assured and National further reserve their rights to join in any response filed by the Government Parties or any other parties in interest to the Motions.

7. Assured and National further reserve their rights to appear and be heard in connection with any hearing on the Motions.

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Dated: June 3, 2021
New York, New York

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CERTIFICATE OF SERVICE

I hereby certify that I filed this document electronically with the Clerk of the Court using the CM/ECF System, which will send notification of such filing to all parties of record in the captioned case.

At New York, New York, the 3rd day of June, 2021.

By: /s/ Howard R. Hawkins, Jr
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